



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 20, 2000

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. Hulic Ratteree  
Treasurer  
Committee to Elect Mike Burkhold to Congress  
1009 Piper Point  
Mt. Pleasant, South Carolina 29464

RE: MUR 5043

Dear Mr. Ratteree:

On July 10, the Federal Election Commission found that there is reason to believe that the Committee to Elect Mike Burkhold to Congress and you, as treasurer, violated 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

In order to expedite the resolution of this matter, the Commission has also decided to offer to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Enclosed is a conciliation agreement that the Commission has approved.

If you are interested in expediting the resolution of this matter by pursuing pre-probable cause conciliation, and if you agree with the provisions of the enclosed agreement, please sign and return the agreement, along with the civil penalty, to the Commission. In light of the fact that conciliation negotiations, prior to a finding of probable cause to believe, are limited to a maximum of 30 days, you should respond to this notification as soon as possible.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

21-04-402-4075

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Albert Veldhuyzen, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,



Darryl R. Wold  
Chairman

Enclosures

Factual and Legal Analysis

Procedures

Designation of Counsel Form

Conciliation Agreement

cc: candidate

21-04-402-4076

**FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:**

Committee to Elect Mike Burkhold to Congress and  
Hulic Ratteree, as treasurer

**MUR 5043**

**I. GENERATION OF MATTER**

This matter was generated by an audit of the Committee to Elect Mike Burkhold to Congress ("Committee") and Hulic Ratteree, as treasurer, undertaken in accordance with 2 U.S.C. § 438(b).

**II. FACTUAL AND LEGAL ANALYSIS**

**A. LAW**

The Federal Election Campaign Act of 1971 ("Act"), as amended, provides that no person shall make contributions to any candidate or authorized committee with respect to any election for federal office which, in the aggregate, exceed \$1,000. 2 U.S.C. § 441a(a)(1)(A). The Act further provides that multicandidate political committees are prohibited from making contributions in excess of \$5,000 to any candidate and his or her authorized political committee with respect to any election for federal office. 2 U.S.C. § 441a(a)(2)(A). Candidates and their committees are prohibited from knowingly accepting any contributions in excess of the Act's limitations. 2 U.S.C. § 441a(f); *see also* 11 C.F.R. § 110.9(a).

Contributions made "with respect to any election" means, in the case of a contribution not designated in writing by the contributor for a particular election, the next election for the federal office after the contribution is made. 11 C.F.R. §§ 110.1(b)(2) and 110.2(b)(2). Contributions which exceed the contribution limitations of the Act on their face, and contributions which do not exceed the Act's limitations on their face but which do exceed those limitations when

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aggregated with other contributions from the same contributor, may either be deposited into a campaign depository or returned to the contributor. 11 C.F.R. § 103.3(b)(3). If any such contribution is deposited, the treasurer may request redesignation or reattribution of the contribution in accordance with 11 C.F.R. §§ 110.1(b), 110.1(k), or 110.2(b). If a written redesignation or reattribution is not obtained, the treasurer shall, within sixty days of the treasurer's receipt of the contribution, refund the contribution to the contributor. 11 C.F.R. § 103.3(b)(3).

## **B. ANALYSIS**

The Committee received excessive contributions from 21 individuals totaling \$18,025 as well as excessive contributions of \$2,375 from four multicandidate political action committees. The Committee's treasurer did not obtain written redesignations or reattributions of the excessive contributions within 60 days from the date that the Committee received such contributions. *See* 11 C.F.R. §§ 110.1(b)(5)(ii) and 110.1(k)(3). Therefore, the Committee's treasurer was required to refund the excessive contribution amounts within 60 days of receipt of such contributions. 11 C.F.R. § 103.3(b)(3). Despite this requirement the Committee did not refund most contributions until after the audit exit conference on May 20, 1999. None of these contributions were refunded within the 60 day time period. Pursuant to the Interim Audit Report recommendations, the Committee refunded excessive contributions in the amount of \$13,700 prior to the Final Audit Report dated October 7, 1999. The Committee appears to have unresolved excessive contributions totaling \$6,700 (\$20,400 - \$13,700).

Accordingly, the Commission found reason to believe that the Committee to Elect Mike Burkhold to Congress and Hulec Ratteree, as treasurer, violated 2 U.S.C. § 441a(f) by knowingly accepting excessive contributions.

21-04-402-4078